



THE CITY OF SAN DIEGO

Letter to the Editor:

Our water and sewer systems are both in need of significant improvements. In the case of the sewer system, the City is under court-order to make immediate improvements. And in the case of the water system, the City has not fulfilled the tenants of a 1996 consent decree with the State and as a result, vital improvements to our water treatment plants have not been made. Unless they happen in a timely manner, we will not meet the newest Federal standards for the treatment of water. I can't and won't ignore these issues.

The consequences of not addressing these issues are the further deterioration of the two systems and paying stiff fines to the Federal and State governments. The City's history of sweeping problems under the proverbial municipal rug has not served it well in the past.

While I intend to proceed aggressively, I will do so thoughtfully, placing the best interest of ratepayers at the top of the agenda. We will explore private financing for only the most important and immediately of the necessary improvements. Any private financing proposal would involve the ability to refinance the loans as soon as we able to able access the more cost-efficient public markets.

My commitment to transparency in government means telling our citizens everything, the good and the bad. The potential for rate increases is a possibility that I felt that I had to announce in my State of the City speech. But I will also tell you this – I will have to be convinced of it as a last resort.

I have launched an examination of the budgets and rate structures of the water and wastewater systems. I will also institute at least two budgetary reforms to insure that these two Enterprise Funds are not subsidizing the General Fund. Before I propose any rate increase, I will need to be convinced that the two systems are using ratepayers' funds in the most efficient fashion.

Jerry Sanders
Mayor, City of San Diego